

# NAVIGATING THE SHIFT OF THE HEALTH CARE TECTONIC PLATES

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# About Navigation

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- 1.** The process of monitoring and controlling the movement from one place to another
- 2.** Requires knowing where you wish to go – i.e., your destination
- 3.** Involves a combination of techniques and methods
- 4.** All techniques require locating the navigator's position compared to known locations
- 5.** Information from the different methods must be integrated

# Health Care's Destination

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**Higher value**

$$\text{Value} = \text{Quality}/\text{Cost}$$

$$Q \sum TQ + SS + A + FS + CB$$

**Q = Quality**

**TQ = Technical Quality**

**SS = Service Satisfaction**

**A = Access**

**FS = Functional Status**

**CB = Community Benefit**

# What is the Challenge?

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- Harmonizing different perspectives about what is value
- Understanding how best to drive value in health care, which operates as a complex adaptive system

# Complex Adaptive Systems

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- Component parts are nonlinear and dynamic; they do not inherently reach fixed equilibrium points
- Composed of independent agents
  - ✓ whose needs and desires are heterogeneous, so their goals and behaviors often conflict
  - ✓ are intelligent and learn, so that system behavior adapts and changes over time and leads to self-organization
- There is no single point of control; no one is truly “in charge”

# What is the Challenge?

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- Changing complex adaptive systems requires a different approach than in more linear or other traditional systems
- Change cannot be specified and managed in fine detail
- Finding the critical “change levers” – i.e., the things for which small changes produce large effects
- Effective strategies for changing linear systems may be counter-productive in a complex adaptive system



# What Change Levers Are Most Likely to be Used

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- 1. Increasing accountability**
- 2. Alignment of payment with performance**
- 3. Regulation and enforcement**

**HEALTH IS ABOUT MUCH MORE  
THAN HEALTH CARE**